

ROUTING AND TRANSMITTAL SLIP

7/14/81

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DEPARTMENT OF STATE A/CDC/MR

REVIEWED BY Blumhagen DATE 2/26/87RDS ☐ or XDS ☐ EXT: DATE

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1. Maj. Kimmitt NSC
 Mr. Kanter PM/P
 2. Mr. Brown PM
 3. Mr. Pelletreau NEA/ARP
 4. Mr. Aherne T
 5. Mr. Martin H

Action	File	Note and Return
Approval	For Clearance	Per Conversation
As Requested	For Correction	Prepare Reply
Circulate	For Your Information	See Me
Comment	Investigate	Signature
Coordination	Justify	

REMARKS

Attached are clean drafts of the
 Saudi AWACS/F-15 justifications
 incorporating NSC/PM changes.

DO NOT use this form as a RECORD of approvals, concurrences, disposals,
 clearances, and similar actions

FROM: (Name, org. symbol, Agency/Post)

Ken Hill

PM/SAS

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5041-102

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TRANSMITTAL No. 81-CQ

ADVANCE NOTIFICATION OF POSSIBLE SECTION 36(b) STATEMENTS FOREIGN MILITARY SALES

- a. (C) Prospective Purchaser: Saudi Arabia
- b. (C) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:
One hundred and one ship sets (202 tanks) of conformal fuel tanks (CFTs) for the Royal Saudi Air Force (RSAF) F-15 aircraft. The CFTs are streamlined fuel tanks, two per aircraft, which affix to the sides of the F-15 fuselage. The sale would include spare parts, support equipment, training equipment, publications, and other related support for the CFTs.
- c. (C) Estimated Value(s) of this Case: \$110 million
- d. (C) Description of Total Program of which this Case is a Part:
CFTs provide an additional equipment capability to the RSAF F-15 (PEACE SUN) program. Included in the PEACE SUN program are the purchase of 62 F-15 aircraft, spares, support equipment, flight simulators, basic munitions (AIM-9P-3 and AIM-7F air-to-air missiles), technical data, U.S. technical and pilot training, and construction of technical facilities. Also included are 42 months of in-country contractor maintenance, training, and logistics support. An additional sale of AIM-9L air-to-air missiles is also being proposed under the PEACE SUN program.
- e. (C) Estimated Value of Total Program of which this Case is a Part:
\$5 billion
- f. (C) Prior Related Cases, if any:
(1) FMS Case SFA (PEACE SUN 1): 60 F-15 aircraft, spares, support equipment, training devices, and air-to-air munitions. Case value \$1.6 billion, accepted by Saudi Arabian Government (SAG) 13 July 1978.
 - (a) SFA Amendment 1: Additional logistics support. Case value \$426 million, accepted by SAG 14 September 1979.
 - (b) SFA Amendment 2: Additional logistics support. Case value \$534 million, accepted by SAG 24 February 1981.
 - (c) SFA Amendment 3: Additional engines. Case value \$70 million; incorporated into Amendment 2.

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POLICY JUSTIFICATION

(C) Saudi Arabia - Conformal Fuel Tanks for F-15 Aircraft

(C) The Government of Saudi Arabia has requested the amendment of FMS case SFA, under which 60 F-15 aircraft are being provided to the Royal Saudi Air Force (RSAF). This amendment will include 101 ship sets (202 tanks) of conformal fuel tanks (CFTs) and related spare parts, support equipment, training equipment, publications, and other support at an estimated cost of \$110 million.

(C) This sale will contribute significantly to U.S. foreign policy and national security objectives by helping to increase the security of a friendly country of vital interest to the United States. By enhancing Saudi Arabia's ability to intercept hostile aircraft, the sale will reduce the probability of major power confrontation in the region. In addition to enhancing the overall Western security posture in the Persian Gulf region, the sale will increase regional stability by improving Saudi Arabia's air defense capabilities. In these ways, it will help ensure continued Western access to vital Persian Gulf oil.

(C) Recent military developments (the Iraq-Iran War and the Soviet invasion of Afghanistan) have created a new situation in the region which requires the enhancement of the RSAF F-15 capabilities, particularly in providing the aircraft with more endurance to improve the Saudi air defense capability. The Kingdom is a relatively large geographical area, and CFTs would enable the Saudis to fly sorties from bases other than those directly under attack. The CFTs will increase the time aloft of each F-15 flight, and given the relatively small number of aircraft, this is an important factor in defending the Kingdom.

(C) The introduction of CFTs in Saudi Arabia will not affect the regional military balance. Israel has equipped its F-15s with CFTs.

(U) The prime contractor will be the McDonnell Douglas Corporation of St. Louis, Missouri, which is the aircraft manufacturer for F-15s.

(C) No additional U.S. Government or contractor personnel will be required in Saudi Arabia to implement this sale. Sufficient fuel specialists will be in-country under existing contracts to provide support for the CFTs.

(C) There will be no adverse impact on U.S. defense readiness as a result of this proposed sale. The production rate for the USAF is low enough to allow phase-in of another customer to procure CFTs concurrently.

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TRANSMITTAL No. 81-CT

ADVANCE NOTIFICATION OF POSSIBLE SECTION 36(b) STATEMENTS
FOREIGN MILITARY SALES

- a. (C) Prospective Purchaser: Saudi Arabia
- b. (C) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:
A quantity of 1,177 AIM-9L air-to-air missiles with related spare parts and special test and support equipment.
- c. (C) Estimated Value(s) of this Case: \$200 million
- d. (C) Description of Total Program of which this Case is a Part:
This sale will become a part of the overall PEACE SUN program which was for the sale to Saudi Arabia of 62 F-15 aircraft with spares, support equipment, flight simulators, air-to-air missiles (AIM-9P-3 and AIM-7F), technical data, training in the CONUS of Saudi maintenance technicians and aircrews, and the construction of technical support facilities. Also included in the overall program are 42 months of contractor maintenance, training, and logistics support in Saudi Arabia.
- e. (C) Estimated Value of Total Program of which this Case is a Part:
\$5 billion
- f. (C) Prior Related Cases, if any:
 - (1) FMS Case SFA (PEACE SUN I): 60 F-15 aircraft, spares, support equipment, training devices, and air-to-air missiles. Case value \$1.6 billion, accepted by Saudi Arabian Government (SAG) 13 July 1978.
 - (a) SFA, Amendment 1: Additional logistics support to the Royal Saudi Air Force (RSAF) F-15 program. Amendment value: \$426 million; accepted by SAG 14 September 1979.
 - (b) SFA, Amendment 2: Additional logistics support to the RSAF F-15 program, including funding for the retrofit of RSAF AIM-7F missiles to include Product Optimization Program (POP) improvements. Amendment value: \$534 million; accepted by SAG 24 February 1981.
 - (c) SFA, Amendment 3: Spare engines for RSAF F-15s. Amendment value: \$70 million; cancelled as it was incorporated into Amendment 2.

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(2) YBM (PEACE SUN II): Construction of F-15 support facilities in Saudi Arabia. Case value: \$879 million; accepted by SAG 10 February 1980.

(3) YBA (PEACE SUN III): Contractor technical support services and training for in-country support of the RSAF F-15s. Case value: \$964 million; accepted by SAG 7 June 1980.

(4) TDA (PEACE SUN IV): Training of RSAF F-15 aircrews and maintenance personnel in the CONUS. Case value: \$9 million; accepted by SAG 15 February 1980.

(5) SGK (PEACE SUN V): Two additional F-15C aircraft to be stored in CONUS as replacements for any of the original 60 RSAF F-15s that may be lost. Case value: \$47 million; accepted by SAG 25 November 1980.

- g. (C) Military Department: Air Force (SFA, Amendment #5)
- h. (C) Estimated Date Letter of Offer/Acceptance (LOA) Ready for Formal Notification to Congress:
- i. (C) Date Advance Notification Delivered to Congress:

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POLICY JUSTIFICATION

(I) Saudi Arabia - AIM-9L Missiles

(C) The Government of Saudi Arabia has requested the purchase of 1,177 AIM-9L air-to-air missiles for use on Royal Saudi Air Force (RSAF) F-15 aircraft together with related spare parts and special test and support equipment at an estimated cost of \$200 million.

(C) This sale will contribute significantly to U.S. foreign policy and national security objectives by helping to increase the security of a friendly country of vital interest to the United States. By enhancing Saudi Arabia's ability to intercept hostile aircraft, the sale will reduce the probability of major power confrontation in the region. In addition to enhancing the overall Western security posture in the Persian Gulf region, the sale will increase regional stability by improving Saudi Arabia's air defense capabilities. In these ways, it will help ensure continued Western access to vital Persian Gulf oil.

(C) Recent military developments in the Middle East (the Iran-Iraq war and the Soviet invasion of Afghanistan) have increased the potential for hostile action against Saudi Arabia. This changed situation requires enhancement of RSAF F-15 capabilities, including its capabilities for short range air-to-air defense. The acquisition of the AIM-9L by Saudi Arabia will not upset the regional balance. Israel has also purchased the AIM-9L missile.

(C) Saudi Arabia needs the AIM-9L missile because of a legitimate requirement for RSAF F-15s to be able to intercept high speed hostile aircraft which could threaten the oil fields with minimum warning. The missile has the capability of a head-on attack against hostile aircraft, which obviates the need for Saudi interceptors to lose vital time in maneuvering into a rear attack position as required by the AIM-9M missiles currently in the RSAF inventory. Therefore, the AIM-9L significantly enhances the capability of the RSAF to intercept and destroy attacking aircraft before they can damage vital resources. RSAF personnel will be able to absorb this missile into the inventory both from the operational and maintenance perspectives, as they have already demonstrated capabilities to operate and maintain earlier AIM-9 series missiles.

(C) The AIM-9L missiles proposed for sale will come from U.S. inventory on a one-for-one exchange basis as the newer version AIM-9M missiles are delivered from new production. The prime contractor for the AIM-9M missile is Raytheon Company of Lowell, Massachusetts.

(U) It is estimated that approximately nine additional munitions support U.S. contractor personnel will be required for a period of about three years, due to the increased size of the overall RSAF air-to-air missile inventory.

(C) As noted, the AIM-9L missiles will be provided from U.S. inventory, and equal number of AIM-9M missiles will be produced using funds from this FMS case to replace them. Under these circumstances, no adverse impact is anticipated on U.S. readiness.

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TRANSMITTAL No. 81-CU

ADVANCE NOTIFICATION OF POSSIBLE SECTION 36(b) STATEMENTS
FOREIGN MILITARY SALES

- a. (C) Prospective Purchaser: Saudi Arabia
- b. (C) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:
Five E-3A aircraft; associated spares and support equipment for three years; three years of contractor provided logistics, maintenance, and training support in Saudi Arabia; USAF and/or contractor provided CONUS training and technical support; a facility site survey; and provision for the design, construction, and supply of required AHACS related ground based Command, Control, and Communications (C³) facilities and equipment, including an appropriate number of ground radars.
- c. (C) Estimated Value(s) of this Case: \$5.8 billion
- d. (C) Description of Total Program of which this Case is a Part:
Same as b above.
- e. (C) Estimated Value of Total Program of which this Case is a Part:
\$5.8 billion
- f. (C) Prior Related Cases, if any:
None
- g. (C) Military Department: Air Force (SJA)
- h. (C) Estimated Date Letter of Offer/Acceptance (LOA) Ready for Formal Notification to Congress:
- i. (C) Date Advance Notification Delivered to Congress:

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POLICY JUSTIFICATION

(C) Saudi Arabia - E-3A Aircraft

(C) The Government of Saudi Arabia has requested the purchase of five E-3A aircraft; associated spares and support equipment for three years; three years of contractor provided logistics, maintenance, and training support in Saudi Arabia; USAF and/or contractor provided CONUS training and technical support; a facility site survey; and provision for the design, construction, and supply of required AWACS related ground based Command, Control, and Communications (C3) facilities and equipment, including an appropriate number of ground radars, at an estimated aggregate cost of \$5.8 billion. (An additional sale may be requested for design and construction services to provide ground facilities to support the aircraft. This request, if received, will be notified separately.)

(C) This sale will contribute significantly to U.S. foreign policy and national security objectives by helping to increase the security of a friendly country of vital interest to the United States. By enhancing Saudi Arabia's ability to intercept hostile aircraft, the sale will reduce the probability of major power confrontation in the region. In addition to enhancing the overall Western security posture in the Persian Gulf region, the sale will increase regional stability by improving Saudi Arabia's air defense capabilities. In these ways, it will help ensure continued Western access to vital Persian Gulf oil.

(C) This sale will not have an adverse impact on the regional military balance. The E-2C, an airborne surveillance platform similar to the E-3A, is currently in the inventory of Israel. Ground radar systems are presently in the inventory of most of Saudi Arabia's neighbors.

(C) Saudi Arabia currently lacks the early warning required for an effective air defense network. The E-3A aircraft and related ground based C3 equipment, combined with a small number of ground radars, are the most effective means of providing the early warning required for effective air defense. Five E-3A aircraft will allow the Royal Saudi Air Force (RSAF) to maintain one 24-hour per day orbit during short periods of heightened tension or hostilities.

(C) Configuration of the RSAF AWACS will be identical to the standard USAF E-3A aircraft except that the Joint Tactical Information Distribution System (JTIDS), Electronic Counter Counter Measures (ECCM) enhancement and sensitive intelligence information, HAVE QUICK UHF communication modifications, and three additional display consoles included in the latest USAF version will not be included nor will commercial substitutes be provided for these systems. However, commercially available substitutes will be provided for the U.S. Government Mode IV Identification Friend or Foe (IFF) and U.S. Government encryption systems.

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(U) The Boeing Aerospace Company of Seattle, Washington, is the prime contractor for this proposed sale.

(C) Initially, approximately 480 U.S. contractor personnel will be required in Saudi Arabia in support of this proposed sale to provide logistics support and maintenance training. Approximately 30 U.S. Government personnel will also be required to provide contract oversight and operator training. Although it is expected that the number of contractor personnel will decrease as the RSAF becomes trained to perform maintenance, some U.S. contractor maintenance will be required in-country for the life of the system.

(U) This proposed sale has no impact on U.S. defense readiness as the E-3A will come from new production.

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TRANSMITTAL No. 81-CV

ADVANCE NOTIFICATION OF POSSIBLE SECTION 36(b) STATEMENTS
FOREIGN MILITARY SALES

- a. (C) Prospective Purchaser: Saudi Arabia
- b. (C) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:
Eight Boeing 707 aerial refueling aircraft, including an initial purchase of six aircraft and an option to purchase two additional aircraft; three years supply of spares and support equipment; three years of contractor maintenance, training, and logistics support in Saudi Arabia; and CONUS training provided by USAF and/or the contractor.
- c. (C) Estimated Value(s) of this Case: \$2.4 billion
- d. (C) Description of Total Program of which this Case is a Part:
Same as b above.
- e. (C) Estimated Value of Total Program of which this Case is a Part:
Same as c above.
- f. (C) Prior Related Cases, if any:
None
- g. (C) Military Department: Air Force (SKA)
- h. (C) Estimated Date Letter of Offer/Acceptance (LOA) Ready for Formal Notification to Congress:
- i. (C) Date Advance Notification Delivered to Congress:

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POLICY JUSTIFICATION

(C) Saudi Arabia - Aerial Refueling Aircraft

(C) The Government of Saudi Arabia has requested the purchase of up to eight Boeing 707 aerial refueling aircraft, including an initial purchase of six aircraft and an option to purchase two additional aircraft; three years supply of spares and support equipment; three years of contractor maintenance, training and logistics support in Saudi Arabia; and CONUS training provided by USAF and/or the contractor at an estimated cost of \$2.4 billion.

(C) This sale will contribute significantly to U.S. foreign policy and national security objectives by helping to increase the security of a friendly country of vital interest to the United States. By enhancing Saudi Arabia's ability to intercept hostile aircraft, the sale will reduce the probability of major power confrontation in the region. In addition to enhancing the overall Western security posture in the Persian Gulf region, the sale will increase regional stability by improving Saudi Arabia's air defense capabilities. In these ways, it will help ensure continued Western access to vital Persian Gulf oil.

(C) The purchase of the aerial refueling aircraft will enhance the Saudi air defense capability by increasing the range and time aloft of the Saudi F-5 aircraft. In view of the size of the country, the few bases at which the F-5 aircraft will be located, and the increased regional threat, the capability to prolong the endurance of interceptor aircraft is essential to the defense of the Kingdom. These same aerial tankers can be used to refuel the E-3A aircraft also requested by Saudi Arabia and the F-5 aircraft already in their inventory, likewise extending their time aloft.

(C) The sale of this equipment and support will not affect the basic military balance in the region. Saudi Arabia already has KC-130 aircraft for refueling its F-5s. Both Israel and Iran have aerial refueling capabilities.

(C) Approximately 320 contractor personnel will be required to provide initial in-country support. The contract will be for support for three years. Follow-on contractor support beyond the initial contract period is expected to be needed for an extended period but the number of U.S. contractors should decrease as the Royal Saudi Air Force becomes trained to perform maintenance.

(U) The prime contractor will be the Boeing Aerospace Company of Seattle, Washington.

(U) There will be no adverse impact on U.S. defense readiness as a result of this sale. Procurement will be from new production.

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(2) YBM (PEACE SUN II): In-country construction for F-15 facilities. Case value \$879 million, accepted by SAG 10 February 1980.

(3) YBA (PEACE SUN III): Contractor technical support services and training for in-country support of the RSAF F-15s. Case value \$964 million, accepted by SAG 7 June 1980.

(4) JDA (PEACE SUN IV): CONUS F-15 training for RSAF pilots and maintenance personnel. Case value \$9 million, accepted by SAG 15 February 1980.

(5) SGK (PEACE SUN V): Two replacement F-15C aircraft to be stored in CONUS as replacements for any of the original 60 RSAF F-15s that may be lost. Case value \$47 million, accepted by SAG 25 November 1980.

- g. (C) Military Department: Air Force (SFA, Amendment #4)
- h. (C) Estimated Date Letter of Offer/Acceptance (LOA) Ready for Formal Notification to Congress:
- i. (C) Date Advance Notification Delivered to Congress:

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